



## State briefs

Posted: Friday, July 12, 2002

### Construction to begin on fast ferry

JUNEAU - The state's transportation commissioner will travel to Connecticut next week to take part in ceremonies kicking off construction of the Alaska Marine Highway's first fast ferry, the Fairweather.

Commissioner Joe Perkins will travel to Derecktor's shipyard at Bridgeport, Conn., to participate in "a cutting ceremony."

That's the equivalent of a keel-laying ceremony, said Capt. George Capacci, marine highway general manager. A button will be pushed to start robot helium oxygen torches that precisely cut aluminum for the ship's hull.

For the past few months, Nigal Gee and Associates has been doing detailed design work and submitting those design drawings for approval by the Norwegian classification society and the U.S. Coast Guard. About 30 percent of the design has been approved and the project is ahead of schedule, Capacci said.

The Fairweather will make round-trip runs between Juneau and Sitka. The vessel's top speed is 32 knots, or about 37 mph, about twice the speed of the current fleet.

The fast ferry is expected to cost about \$35 million, mostly in federal money.

Following construction of the Fairweather, the company will begin building the Chenega, which will operate in Prince William Sound between Cordova and Valdez.



## Ferry system celebrates scenic byway designation

Special fares, ceremonies to mark national honor

Posted: Tuesday, September 03, 2002

By JOANNA MARKELL

THE JUNEAU EMPIRE © 2002

Starting this week, the Alaska Marine Highway System is celebrating its designation as a National Scenic Byway with special ceremonies, discounted fares and a roundtable discussion in Juneau.

U.S. Transportation Secretary Norman Mineta named Alaska's marine highway as a National Scenic Byway earlier this summer. The designation recognizes highways with exception recreational, archeological, cultural, historic, scenic or natural qualities. It also allows the AMHS to apply for grants for exhibits and services.

"We want to celebrate the designation. It's a big deal," said Capt. George Capacci, general manager of the ferry system. "There are less than 100 scenic byways in the country and we're one of them."

The AMHS is hosting a "stakeholder summit" this afternoon in Juneau with communities, organizations, the state, the Federal Highway Administration and the National Scenic Byway Resource Center. The meeting will be an opportunity to exchange information about the program and the opportunities it provides, Capacci said.

In addition, the ferry system is hosting ceremonies in a number of terminals and ships this fall and next spring. The "Sail-abration" starts with a ceremony on board the Malaspina at 9 a.m. Wednesday.

A dedication at the Haines terminal is scheduled at 11:30 a.m. Wednesday. In Skagway, a terminal dedication will be at 2:30 p.m. followed by community open house on board the Malaspina. A dedication at the Auke Bay ferry terminal in Juneau is at 12:30 p.m. Thursday.

The AMHS is offering a \$35 roundtrip fare from Juneau to Skagway and a \$20 roundtrip fare from Haines to Skagway on Wednesday as part of the celebration. In addition, a \$50 roundtrip fare will be offered for the LeConte's Sept. 22 sailing from Juneau to Pelican. Space is limited and some restrictions apply. Contact the AMHS for more information.



## State signs contract for Metlakatla ferry

New ferry to offer 1-hour runs between Metlakatla, Ketchikan starting in 2004

Posted: Friday, December 06, 2002

By JOANNA MARKELL

THE JUNEAU EMPIRE © 2002

A new state ferry that will provide more service between Metlakatla and Ketchikan is under construction.

The Alaska Marine Highway System last month signed a contract with Conrad Industries of Morgan City, La., to build a 181-foot ferry. The ship will be able to move 149 passengers and 18 vehicles between the two island communities at an operating speed of 12 to 14 knots, according to the ferry system.

The ferry should go into service in spring 2004, AMHS General Manager George Capacci said, and the ferry system will work with the community on the schedule. In the summer, it could make daily or twice-daily trips, he said.

"That's the flexibility generated by point-to-point service. It can run based on demand," he said.

The state ferry Aurora currently serves Metlakatla, a town of 1,400 on the west coast of Annette Island. Traditional winter service, January through April, is about three port calls a week, Capacci said.

The new ferry is costing about \$9.5 million. Coastwise Engineering of Juneau prepared the detailed design. Modeled after a North Sea supply vessel, the ferry is designed to operate in 13- to 20-foot waves and winds in excess of 30 knots, according to the AMHS.

The ferry has an open-deck design, which saves on crew and construction costs, said Pat Eberhardt, a naval architect with Coastwise. He likened the ferry to a sturdy "small pickup."

"We were able to deliver this ferry basically 40 to 50 percent cheaper than we would have (with a closed-deck design)," he said. "It makes a big difference."

### Metlakatla ferry

The state signed a construction contract last month for a new ferry that will provide dedicated service between Ketchikan and Metlakatla.

Size: 181 feet long.

Length of run: 1 hour.

When it will go into service: Spring 2004.

Cost: About \$9.5 million.

What it will replace: The state ferry Aurora.

Design: The ferry is modeled after a North Sea supply vessel and has an open deck design.

Initially, the ferry will run the 16 nautical miles between the existing state ferry terminals in Ketchikan, on Revillagigedo Island, and Metlakata, but eventually the hour-plus run will be much shorter. A joint military task force is building a 17-mile road from Metlakata to the other end of Annette Island as a training exercise. A ferry trip from the end of the new



# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



road to Saxman, 2 road miles south of Ketchikan, will provide a faster connection between the two islands.

"It will be a very short run back and forth," Capacci said.

Metlakatla Mayor Victor Wellington Sr. said his community has been lobbying the state hard for more ferry service. The new ferry combined with the new road could provide more opportunities for economic development, he said.

"We don't have a firm plan in hand, but we do have a lot of input on what could happen," he said. "One of the big things that the (new) Walden Point Road could help the community with is their tourism package. We are looking at probably promoting tourism pretty big."

Metlakatla also has asked the state and the private Inter-island Ferry Authority to provide interim service until the new state ferry arrives, Wellington said. Right now, the request is at a standstill because of the transition of administrations in Juneau, he said.

"We're just hot on them about trying to get ferry service," he said.

The state has had difficulty responding to the request because of union labor requirements, Capacci said. The IFA, which connects Ketchikan and Prince of Wales island, uses non-union labor.

Once the new Metlakata ferry is in place, the Aurora will be transferred to Prince William Sound to replace the aging ferry Bartlett, Capacci said. At 235 feet, the Aurora can carry 250 passengers and 34 vehicles.

The new Metlakata ferry doesn't have a name yet, and Capacci said the state is proposing that the town's residents help pick one. State ferries must be named after Alaska glaciers, and the state has sponsored student essay contests in the past.

Earlier this year, the name Fairweather was selected for new fast ferry serving Juneau and Sitka. A new fast ferry serving Prince William Sound will be named the Chenega, Capacci said.



## Construction on Prince William Sound fast ferry begins

Chenega is scheduled to go into service in spring 2005; can carry 250 passengers

Posted: Tuesday, February 04, 2003

By JOANNA MARKELL

JUNEAU EMPIRE © 2003

The second of two Alaska fast ferries is under construction on the East Coast.

Officials with the Alaska Marine Highway System and the city of Cordova took part in a plate-cutting ceremony for the state ferry Chenega on Thursday at R.E. Derecktor Shipyard in Bridgeport, Conn. From a home port in Cordova, the Chenega will serve Prince William Sound, said George Capacci, AMHS general manager.

The ceremony is equivalent to a keel-laying with a steel ship, he said.

"It's an event to signify the start of construction," he said.

The Chenega is scheduled to go into service in spring 2005. The 235-foot ship will be able to carry 250 passengers, 30 cars and 90,000 pounds of cargo. It will travel at 32 knots and serve Cordova, Valdez and Whittier.

The R.E. Derecktor Shipyard won a \$68 million contract to build the Chenega and its sister ship, the Fairweather, which will serve Sitka and Juneau. Nigel Gee Associates of Southampton, England, designed the fast ferries.

The shipyard is about half done building the Fairweather, and the project is on budget and on schedule, Capacci said. The Fairweather, which has a similar design to the Chenega, should go into service in 2004, Capacci said.

Gary Graham and Kate Tesar, representing the city of Cordova, were joined by Capacci and Gavin Higgins, general manager of the Derecktor Shipyard for last week's plate-cutting ceremony.

In addition, the AMHS is having a 181-foot ferry built at Conrad Industries in Morgan City, La., to serve Ketchikan and Metlakatla. The ferry, which will travel at 12 to 14 knots, was designed by Coastwise Engineering of Juneau. It should go into service in spring 2004.

More information about the ferry projects is available at the ferry system's Web site at [www.dot.state.ak.us/amhs](http://www.dot.state.ak.us/amhs).



## AlaskaDigest

Posted: Friday, July 11, 2003

By

staff and Wire reports

Naming ceremony set for Fairweather

JUNEAU - A traditional naming ceremony for the Alaska Marine Highway's first fast ferry has been scheduled for Alaska Day, Oct. 18.

Ferry system general manager, Captain George Capacci said major welding on the hull of the vessel, to be named the Fairweather, is nearing completion at a Bridgeport, Conn. shipyard. Derecktor Shipyards also is completing the internal outfitting.

Alaska First Lady Nancy Murkowski will attend the naming ceremony to act as the vessel's sponsor.

The Fairweather was originally designated for the run between Juneau and Sitka. Murkowski administration officials are considering using it in Lynn Canal between Juneau, Haines and Skagway.

The Fairweather is to be put into service early next year.





## Ferry system offers one-day getaway as part of anniversary

Posted: Monday, July 21, 2003

By

JUNEAU EMPIRE © 2003

The Alaska Marine Highway System is planning three more National Scenic Byway Designation ceremonies, the unveiling of a commemorative work of art and a one-day getaway as part of its National Scenic Byway Sailabration and 40th Anniversary Celebration.

On Sunday, July 27, the ferry Kennicott will depart from Auke Bay on its regularly scheduled trip south. Once the vessel is under way, ferry system manager Capt. George Capacci will officially designate the newest member of the fleet as part of the Alaska Marine Highway Scenic Byway.

Similar designations will be made at the Petersburg and Wrangell terminals. In Wrangell, after a plaque presentation, marine artist Brenda Schwartz will unveil her latest work, which commemorates the system's 40th anniversary.

The ferry system is offering a special round-trip fare for travel between Juneau and Wrangell on July 27.

The Kennicott will depart southbound from Juneau's Auke Bay terminal at 5:30 a.m., arriving in Petersburg at 1:30 p.m. and Wrangell at 5:30 p.m.

The ferry Matanuska will depart northbound from Wrangell at 10:45 p.m. Sunday and will be back at Auke Bay at 10:30 a.m. Monday.

The round-trip fare, good between Juneau and Wrangell on July 27 (on those specific vessels), is \$75. Children 2-11 are \$25 each. Children under 2 travel free.

Tickets can be purchased at Centennial Hall, the Glacier Highway Reservations Center and the Auke Bay Terminal, or by phone at 465-3941.

The National Scenic Byways Program recognizes certain roads as National Scenic Byways or All-American Roads based on their archaeological, cultural, historic, natural, recreational and scenic qualities.

There are 95 such designated byways in 39 states, only three of which are in Alaska - the Glenn Highway, the Alaska Marine Highway and Alaska's All-American Road, the Seward Highway.

Secretary of Transportation Norman Mineta designated the marine highway in June of 2002, the first marine-based byway.



## State peddles ferry on ebay

Heaviest bidding traffic expected shortly before deadline Sunday

Posted: Tuesday, August 05, 2003

By TIMOTHY INKLEBARGER

JUNEAU EMPIRE © 2003

What do you do when you need to get rid of a 1,500-ton state ferry? Sell it on eBay, of course.

The state Department of Transportation is retiring the 34-year-old ferry Bartlett in September and using the online auction site eBay to sell it.

The auction began late last week with a beginning bid price of \$100,000. By 10:15 Monday night, there were three bids on the item, pushing the price up to \$100,300.

Related Link:

[Bid on the Bartlett](#)

The 193-foot-long Bartlett was built for the Alaska Marine Highway System in 1968 by Jeffboat Inc. of Jeffersonville, Ind., for \$3.25 million. The vessel provides service for the communities of Prince William Sound and holds 236 passengers and approximately 29 cars.

"If we don't sell it, we'll have to pay to park it somewhere," said George Capacci, general manager for the Alaska Marine Highway System.

Capacci said the Bartlett is being taken out of the marine highway fleet because the ferry soon will be out of compliance with federal safety requirements for such vessels.

He said putting the Bartlett in compliance with federal law would require new evacuation systems, fast rescue boats, new lifeboats and a variety of other expensive upgrades.

Jim Jobkar, a property manager for the state Department of Administration, oversees the sale of all the state's surplus property such as automobiles, heavy equipment, snow machines, boats and office furnishings.

He said putting the ferry Bartlett on eBay is the state's first attempt to sell the vessel.

"It's just like any other auction item," Jobkar said. "It goes to the highest bidder."

Jobkar said many items on eBay do not begin generating serious traffic until near the end of the auction. The auction for the Bartlett ends Aug. 10, at 1:34 p.m.

"Then we are able to engage in conversation with the successful bidder and the details will be worked out accordingly," he said.

The ferry is the largest surplus item the state has tried to sell, Jobkar said. He noted that the size of an item can sometimes be an obstacle to finding a buyer.

"eBay is a fairly tough market for items in Alaska because of the geographical separation (from the Lower 48)," he said. "The shipping costs are a significant factor in disposing of the property for the best dollar."

The Bartlett, though, is not the only item the state has tried to sell on eBay. Jobkar said the state tried to auction a few vehicles on eBay within the last couple of years but was unsuccessful in finding a buyer.



# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



Although there had been three bids for the ferry by noon Monday, Jobkar said the state has not heard from any of the potential buyers. He said the bids might be legitimate, but they also could be from someone who has no intention of buying the ferry.

"At this point nothing is guaranteed," he said.

He said if negotiations with the highest bidder fall through, then the state could contact the second-highest bidder for the ferry.

Otherwise, DOT and the Department of Administration will regroup and figure out a plan B for selling the ship.

General Manager Capacci said he is uncertain what ferry will take the Bartlett's place, as DOT still is working out the details for the 2004 summer schedule.

Removing the Bartlett from the marine highway fleet reduces the number of ships to eight. But two new ships will come online next year, the fast ferry Fairweather, expected to provide service for the northern Panhandle, and the Lituya, to run between Ketchikan and Metlakatla.

The two new ships, however, will individually cost less to operate than the Bartlett.

"Our long-term goal is to decrease the general fund subsidy while improving service," Capacci said.



## AlaskaDigest

Posted: Friday, August 08, 2003

By

staff and Wire reports

Bidding lively for ferry

JUNEAU - The online auction for a used Alaska Marine Highway ferry had garnered 23 bids as of Thursday night, with the high bid up to \$311,000.

The auction began last week with a beginning bid price of \$100,000 for the 1,500-ton E.L. Bartlett, a 193-foot vessel that can carry about 30 cars and 236 passengers.

The state paid \$3.25 million to have the Bartlett built in 1969. Its state service will end in October, according to ferry system operations manager Jack Meyers. To see the online auction, visit [http://cgi.ebay.com/ebaymotors/ws/eBayISAPI.dll?](http://cgi.ebay.com/ebaymotors/ws/eBayISAPI.dll?ViewItem&category=26432&item=2426210166)

[ViewItem&category=26432&item=2426210166](http://cgi.ebay.com/ebaymotors/ws/eBayISAPI.dll?ViewItem&category=26432&item=2426210166)



## Longtime Alaskan is ferry's new owner

All Alaskan Seafoods president doesn't know yet what he's going to do with it

Posted: Sunday, October 12, 2003

By MARY PEMBERTON

The Associated Press

ANCHORAGE - The Bartlett was transferred Friday to its new owner, a longtime Alaskan and Seattle businessman who bought the 34-year-old state ferry in the last 10 minutes of bidding on eBay.

The buyer, who went by the username of Salmon Man 1953 during the online auction that ended Aug. 10, is Lloyd Cannon, the 73-year-old CEO and president of All Alaskan Seafoods, a company he founded in 1975.

Even though Cannon now lives in Washington, he grew up in Kodiak and fished Alaska waters for decades. He recently sold his home on the island but keeps an eye on all things Alaska, including the online bidding for the Bartlett, he said.

Cannon isn't sure what he will do with the 193-foot ferry now that it's his.

"We already have about five people with ideas. We just got to figure out if they have any money," he said, laughing.

Money and government regulation are what eventually forced the Bartlett from service in Alaska. Even though the ferry was in good shape for her age, new regulations made her obsolete for passenger service, said Phil Grasser, marine engineering manager for the Alaska Marine Highway System.

"She's gone," he said, after the vessel was transferred. "We weren't sad to see her go."

It would have cost between \$5 million and \$6 million to outfit the ferry to satisfy new federal safety regulations that took effect Oct. 1. Those requirements included providing evacuation chutes similar to those on airplanes and with motorized rescue boats.

"Hers were operated with oars," Grasser said.

The Bartlett is a good boat, and he got it for the right price, Cannon said. He paid \$389,500. The ferry cost \$3.25 million new in 1969.

Faced with a limited market to unload the ship, state property managers turned to eBay to find a buyer, figuring the Internet auction site would provide worldwide visibility and they would get more money for the ferry. The bidding began at \$100,000, and at least two dozen bids were posted.

Cannon sent one of his representatives, Rollin "Tiny" Crump, to Cordova to take ownership of the 1,500-ton ferry at 8 a.m. Friday. Seven people were helping to bring the Bartlett south, Cannon said.

During the Bartlett's years of service, its primary ports were Valdez, Whittier, Tatitlek and Cordova. The ferry could carry 29 cars and 236 passengers.

Grasser said two new fast ferries, at a combined cost of \$68.9 million, are being built at the Derektor Shipyard in Bridgeport, Conn. The Fairweather, which is expected to operate out of Juneau, is 85 percent complete and due for delivery in January. The Chenega is about 25 percent complete and should be ready for service in Prince William Sound in 2005.



# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



The ferries are 235-foot catamarans with a faster service speed of 35.8 mph. They should last about 30 years, Grasser said.

The marine highway system expects to send the Aurora from Ketchikan next summer to temporarily provide service to the sound.

Cannon said two ideas have risen to the top for the Bartlett. One is for Alaska cruises. The other is to flag it outside the United States and have it provide ferry service for Sakhalin Island in the Russian Far East.



## High-speed ferry christened

Ferry will service Juneau, Sitka, Haines, Skagway; start operating May 2004

Posted: Sunday, November 16, 2003

By

THE ASSOCIATED PRESS

BRIDGEPORT, Conn. - It took her two tries, but Alaska first lady Nancy Murkowski got the job done Saturday as she christened a high-speed ferry that will usher in a new era of marine travel for Southeast.

Murkowski's second swipe with the champagne bottle against the hull of the Fairweather was a smashing success. She and her husband, Gov. Frank Murkowski, were among the dignitaries and nearly 300 spectators at Derecktor Shipyards in Bridgeport, Conn., where the vessel was built.

Powered by four diesel engines and four water jets, the 235-foot vessel is the first high-speed ferry to be used on the Alaska Marine Highway. The Fairweather will be home-ported in Juneau and is scheduled to begin operations in May 2004. It will service Juneau, Sitka, Haines and Skagway.

It can attain speeds of 32 knots, or 40 mph, and will drastically cut down commuter time from the traditional ferries that operate along the Marine Highway. It will make the 128 nautical-mile run between Juneau and Sitka in four to five hours.

"These ships take anything that move on the highways - vans, campers, trucks fire engines, and rapidly tie the communities of southeastern Alaska together," Gov. Murkowski said.

Nancy Murkowski praised the design of the vessel as economically and environmentally prudent. It will take less than \$15,000 a day for the upkeep of the nearly \$40 million ship, and there is no discharge of pollutants from the ship to the environment, she said.

The main deck will have interior seating for more than 250 passengers. There also will be outside seating in the ferry's solarium. The cargo deck will hold 35 vehicles, transportation officials said.

It is one of two high-speed ferries being built by Derecktor Shipyards for the state of Alaska in a deal worth about \$70 million, according to Alaska transportation officials. The catamarans, or twin-hulled boats, are made of aluminum and produce little wake while traveling at rapid speeds.

"We're really proud of the workmanship as evident here in the Bridgeport yard and the fact that we could reach down from Alaska to Connecticut," Gov. Murkowski said.

Emily Ferry, grassroots organizer for the Southeast Alaska Conservation Council, has helped push for an improved ferry system. Ferry proponents believe that the building of roads, a major thrust of the Murkowski administration, would be extremely costly, she said.

"The ferries have been the basis for transportation and the economy in the area," Ferry said. "The better people can get around, the better they can interact."

Murkowski did use the christening as a forum to take a shot at Connecticut U.S. Sens. Christopher Dodd and Joseph Lieberman.

Connecticut's senators have opposed the Alaska government's wishes to open up part of the Arctic for oil exploration.

# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



Lawmakers are concerned that drilling for oil will create intense environmental damage, a fear that Murkowski believes is unwarranted.

"Eighty-three percent of my state's revenue comes from oil," Murkowski said. "It is important that we have availability for resource development. Charity begins at home and I think it fits in this story."

The name Fairweather was chosen from a statewide essay contest of 700 elementary students in Alaska.

The shipyard started building the second ferry, the Chenega, in January. The Chenega is scheduled to go into service in 2005, serving three Alaska ports on Prince William sound.

Alaska has an option to buy two more ferries from the company.





## New Metlakatla ferry christened

Louisiana-built \$9.7 million federally funded vessel will transport up to 150 passengers and 18 vehicles

Posted: Sunday, December 14, 2003

By TIMOTHY INKLEBARGER

JUNEAU EMPIRE

The Alaska Marine Highway System's newest ferry, the Lituya, was christened Friday in a ceremony at Conrad Shipyards in Morgan City, La., by Carolyn Leman and Lt. Gov. Loren Leman.

The Lituya, named after a glacier that empties into Lituya Bay on the outer coast of Glacier Bay, will make runs between the Southeast communities of Ketchikan and Metlakatla in spring 2004. Alaska statute requires all state ferries to be named for Alaska glaciers.

"Alaskans, and especially those in Metlakatla, are delighted to have had this ship built," Carolyn Leman said before smashing a bottle of champagne on the ship's bow. "We thank the men and women of Conrad Shipyards for constructing this wonderful ferry."

The 180-foot ferry carries up to 150 passengers and 18 vehicles, and travels up to 12 knots, or about 15 mph. The \$9.7 million federally funded vessel was built by the Louisiana construction firm Conrad Industries.

The Lituya is one of two new ships that will join the Marine Highway System next year. In November, Gov. Frank Murkowski and First Lady Nancy Murkowski attended a christening ceremony in Bridgeport, Conn., for the new fast ferry Fairweather. The Fairweather will service the communities of Juneau, Sitka, Haines and Skagway beginning next spring.

The ferry design of the Lituya is based on ships used as offshore supply vessels for oil field work, according to the state Department of Transportation.

DOT Commissioner Mike Barton, Deputy DOT Commissioner Tom Briggs and AMHS General Manager George Capacci also attended the ceremony.

"As the Marine Highway evolves, we continue to try to provide the best possible service to the communities we serve," Capacci said in a prepared statement. "The MV Lituya, dedicated specifically to Metlakatla, will help us do that. The addition of the Lituya to the fleet also enables us to reposition other vessels, such as the Aurora, to better serve other communities."



## AMHS plan should be dealt with openly

Empire editorial

Posted: Sunday, March 07, 2004

The theory around this capital city is that Gov. Frank Murkowski is backing a plan to move the Alaska Marine Highway System headquarters from Juneau to Ketchikan as sweet revenge against a town he's always considered too green.

How true that is we don't know, considering how little information the state Department of Transportation is releasing on the proposed export of about 40 jobs out of Juneau.

Murkowski claims the move will save the state lots of money, but state officials seem to have lip-lock when it comes to saying exactly how much that may be. We do know that the Ketchikan Gateway Borough sent a proposal last Monday to move the ferry system headquarters to the Ketchikan Pulp Co. administration building near Ward Cove.

The relocation is supposed to be penny-wise because it will put ferry managers closer to Alaska Ship and Dry Dock, where some state ferries are repaired. Those savings, however, need to be compared to how much the state will need to spend on a new facility, especially when it still has to deal with the old one. That could make the move pound-foolish.

DOT officials say they have been conducting an internal review on the matter since last fall. But why is the department refusing to release details on a plan that will affect 40 households and the economy of Juneau? The delay in doling out information is particularly galling when the state is talking about making the move this summer.

The very people who work for the marine highway feel excluded from a process that will change their lives, and that's not only wrong, but yet another indication of Murkowski's inability to lead effectively. These workers and the people of Juneau deserve to know the details of the relocation proposal long before it's a done deal.

This is a plan to which Juneau residents should pay close attention. Think, for instance, how many marine highway employees probably own homes in Juneau, and how the dumping of these homes on the market will change real estate prices. Think, too, of the precedent it sets if Ketchikan succeeds in taking away the ferry system offices. Other towns coveting bits and pieces of the capital will see that they can lobby the state to export jobs out of Juneau into their own communities - perhaps without including the public in the process.

The citizens of Juneau and their leaders need to pressure Murkowski and the DOT to be forthcoming about this proposal and to conduct their business in the open. It's time for state officials to produce real facts and numbers so that Alaskans can decide for themselves whether this is a money-saver for the state or just an economic - if not political - bone for Ketchikan.



# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



## My Turn: Marine highway move sensible

Posted: Tuesday, March 09, 2004

By GOV. FRANK MURKOWSKI

I concur that the discussion paper prepared by Pacific Marine Technical Services on moving the headquarters of the Alaska Marine Highway System could have been made public in a more timely manner. I regret that because of logistical reasons it was held up for two weeks and, as a consequence, fueled unnecessary suspicion that there was something to hide. There isn't.

The report reaches the same conclusions that previous studies did over the past 25 years: that the operations should be moved from Juneau to Ketchikan.

The Department of Transportation made the report public on Mar. 8. I recommend that everyone read it.

The report recognizes the advantages of co-locating the Marine Highway fleet operations and the maintenance managers in proximity to the state's ferry and state-owned shipyard facility in Ketchikan.

It concludes that Marine Highway managers "would have direct daily contact and interaction with vessel operations, overhaul, lay-up and logistical support of the AMHS fleet and shipboard personnel." The report notes that there would be numerous cost savings that would result from efficiencies achieved by centralizing warehouse activities in the one location.

The (Sunday Juneau Empire) editorial alleges that I support moving the headquarters because Juneau is too green. It is true that I was very disappointed when the Clinton administration and its environmental allies in Alaska joined forces to close down the pulp mills in Sitka and Ketchikan. That action was devastating for the local economies of both communities and put hundreds of families out of work in Southeast Alaska.

However, the editorial writer's theory that the move is a consequence of some kind of a vendetta against Juneau is belied by the facts. Over the years, while the timber battles were taking place, I fought to keep the capital in Juneau (and in fact, have continued to push for it by lighting a fire under the local leadership to move faster to construct a new capitol complex to secure Juneau's future).

I aggressively supported the development of the Greens Creek and Kensington mines, which means hundreds of jobs and a greater income for the Juneau economy. No one has pushed harder than I have for the road out of Juneau; I fought for airport improvements - including not allowing the runway to be shortened and for completion of the Juneau Golf Course.

The writer of the editorial accuses me of a lack of leadership because I support moving the headquarters. Consider the following:

Back in the late '40s when the 17th Coast Guard was moved out of Ketchikan to Juneau, the decision was controversial. Same thing in the '70s when the Coast Guard air detachment was moved from Annette Island near Ketchikan to Sitka. Yet over the years, the wisdom of those moves have proven to be good decisions for the state.

The previous administration planned for the new fast ferry, the Fairweather, to be home-ported in Sitka. My administration reviewed the wisdom of that decision and decided a \$34 million vessel should have more use than eight or nine hours a day out of Sitka. Juneau was more logical because it could make trips north to Haines and Skagway and south to

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# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



Sitka. It was a controversial decision to move it out of Sitka and base it here in Juneau, but I did because it was in the best interest of the state.

Any decision to move any organization is very controversial, as moving the Coast Guard was for Ketchikan and moving the Fairweather is for Sitka. Whoever wrote your editorial, though, may not understand what it takes to lead.

The easiest course would be to avoid the controversy and make no decision - simply ignore what may be the state's best interests. I would not have sought this office were that to be my approach to making the hard decisions.

I urge the editorial writer and everyone in Juneau to read the report, review the history, and consider all the facts. Then look at the big picture of what is in the best interest of Southeast Alaska and the whole state, and see how we can best help all communities to move forward. Do that, and I'm confident you'll see the wisdom of our proposed action.



## Ketchikan OKs funds for new marine highway headquarters

Posted: Tuesday, March 16, 2004

By

JUNEAU EMPIRE

**KETCHIKAN** - The Ketchikan Gateway Borough Assembly voted unanimously Monday night to approve a \$500,000 supplemental appropriation to renovate the Ketchikan Pulp Co. administration building at Ward Cove.

The building will serve as the new headquarters for the Alaska Marine Highway System administration offices, currently in Juneau.

Borough Manager Roy Eckert said the 44 jobs moving to Ketchikan would stimulate the economy and boost sales and property taxes in the borough.

Assembly members did not discuss the details of how the appropriation would be spent. But the lease proposal sent to the state in early March calls for repairs to the roof, surveys of lighting structures for toxic PCBs, resolving outstanding fire code requirements and complying with requirements under the Americans with Disabilities Act.

The building has been largely abandoned since the pulp mill closed in 1997.

The building's occupancy is 328, leaving room for 284 more employees once the ferry workers move. Ketchikan's lease offers the state the option of moving other state jobs.



## A look at the numbers

Posted: Thursday, March 25, 2004

The state released on March 8 an 11-page report used in the decision to move state ferry headquarters from Juneau to Ketchikan. The \$3,750 study was conducted by Washington-based consulting firm Pacific Marine Technical Services. Some Alaska Marine Highway System employees and state officials have questioned the validity of numbers presented in the report. Here's a look at the report and opponents' comments:

### Report's numbers

- The state would save \$561,725 over 10 years in reduced rent by moving ferry offices to Ketchikan.

### Critics' comments

- The report does not consider the rate of inflation that could affect the property value, according to a Division of Legislative Audit official. It also does not consider the cost of the vacant office space in Juneau or costs of removing asbestos tiling and the possible presence of toxic mold in the Ketchikan building.

### Report's numbers

- The state could save \$240,000 annually by using facilities, services and personnel in Ketchikan. The number is based on 5 percent of \$4.875 million the author said the ferry system spent in 2003 on costs associated with the winter lay-up and overhaul of ships in the fleet.

### Critics' comments

- An internal document recently prepared by marine highway staff says that the number is closer to \$4.5 million and that the report does not offer a clear explanation as to how the savings would be achieved.

### Report's numbers

- An internal ferry system analysis concluded that travel-related savings could be about \$39,000 annually.

### Critics' comments

- AMHS employees say that the internal analysis cited in the paper has not been released and that the majority of travel by senior staff was paid for with federal funds.





## Alaska Digest

Posted: Friday, March 26, 2004

By

Staff and wire reports

Fast ferry open to public Saturday

JUNEAU - The Alaska Marine Highway will open its first fast vehicle ferry to the Juneau public on Saturday.

The Fairweather, just delivered from its shipyard in Bridgeport, Conn., will be open to the public from 1-3 p.m. Saturday at the Auke Bay ferry terminal.

The 235-foot catamaran, homeported in Juneau, will carry 250 passengers and up to 35 vehicles. For five days a week it will make separate trips from Juneau to Haines and Juneau to Skagway. Two days a week it will travel between Juneau and Sitka.

The Fairweather will generally travel at 32 knots, or 36 mph. The vessel employs a twin-hull design made of lightweight aluminum. It is powered by four medium-speed diesel engines, each driving a waterjet propulsor.

The Fairweather cost \$40 million and will replace the ferry Taku, which will be sold.

The Fairweather sailed from the Derecktor shipyard in Connecticut in early March. After traveling along the eastern seaboard, through the Panama Canal, and up the Pacific coast, the vessel docked in Seattle. It headed for Alaska waters on Thursday morning and is expected to arrive in Ketchikan tonight.

It will then travel up the inside passage to Juneau, with plans to dock at noon at the west end Alaska Marine Highway berth in Auke Bay.



## Two cities touched by AMHS move

Capital city faces loss of 44 high-paying ferry positions

Posted: Friday, March 26, 2004

By CHRISTINE SCHMID

JUNEAU EMPIRE

Editor's note: This is the second part of a three-day series that looks at the relocation of the Alaska Marine Highway System headquarters from Juneau to Ketchikan.

Today: How the move could affect Juneau and what relocation means for Ketchikan. On Sunday: Is this capital creep and a look at the building that will house the agency.

The dozens of Juneau jobs headed for Ketchikan with the Alaska Marine Highway System's administrative offices will take substantial salaries with them. They'll also leave their mark on the capital city's schools and real estate market.

But some believe the positive effect for Ketchikan will be greater than the negative one on Juneau.

The state announced March 8 the marine highway headquarters will move to Ketchikan this summer.

The jobs that will be lost include eight vessel construction managers, two port engineers, two architects, as well as several administrative clerks, a secretary and an accountant. Most of the jobs pay quite a bit more than the average annual salary in Juneau.

About half of the 44 positions that will move pay \$55,000 to \$85,000 a year. Fourteen of the jobs pay about \$35,000 to \$47,000 a year.

The Juneau Economic Development Council, which prepared an economic impact statement on the move, estimated that the average annual income of these employees, including benefits such as health care and vacation, is \$70,000 to \$75,000 - a conservative estimate, said Lance Miller, executive director of the Juneau Economic Development Council.

These jobs will cause a loss of other jobs in the economy such as those in the community's retail sector, restaurants, schools and public services. The total payroll loss in Juneau could be \$3.8 million annually, Miller said.

"It's a significant impact," he said. "These are good jobs. These are people who have been in the community for a while, have established connections and are a part of the community. So in addition to potential payroll loss, we're losing citizens."

Though Miller is optimistic Juneau's economy will recover from the loss, the specific maritime jobs lost in the ferry system move probably will not be replaced, he said.

According to the Alaska Department of Labor, an average of 17,331 residents per month were employed in Juneau in 2002, with average annual earnings of \$34,488. In Ketchikan, 6,732 residents per month were working in 2002, with an average annual pay of \$32,184.

Juneau's unemployment in 2003 was 6.2 percent, while Ketchikan's was 8.9 percent, said Neal Gilbertsen, Southeast Alaska economist for the state Department of Labor.

From an economic perspective, moving the ferry system may help Ketchikan more than it hurts Juneau, Gilbertsen said.

"A one-shot loss of 50 jobs is not good, but it's pretty small in relation to our economy," he said. "The impact to Ketchikan's economy is somewhat greater."

# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



Gilbertsen pointed out, however, that the addition of jobs to Ketchikan's economy will not necessarily decrease Ketchikan's unemployment rate, because many of those jobs will presumably be filled by Juneau residents.

Whether employees of the ferry system in Juneau will move to Ketchikan with their jobs is an important question that is not easily answered. Several ferry system employees have said they will not go to Ketchikan, but others are waiting to make a decision.

Because they don't know how many homes ferry system employees own in Juneau, local real estate brokers can only speculate as to how the loss of jobs will affect the housing market.

Pat Stevens, president of the Southeast Alaska Multiple Listing Service and owner of Alaska Realty Network, estimates 10 to 20 homes could enter the market with the move.

"But even if it was 40 houses on the market, and a variety of housing types, which it would be, I can't imagine this hurting us too much," Stevens said.

This week, 39 houses are for sale in Juneau - an inventory that is "very low," Stevens said.

Forty houses on the market in Juneau would sell within a couple of weeks, Stevens predicted.

Mike Race, also a real estate broker in Juneau, said he doesn't believe 40 homes on the market would affect the selling prices of homes here.

"Right now the market's pretty thin, so having houses on the market would be pretty advantageous from a real estate sales angle - there would be more product for potential buyers," Race said, adding that spring is traditionally the busiest time of year for home sales.

As ferry system employees leave Juneau, so will their children. The Juneau School District receives an average of \$4,000 in funding per student, and anticipates having to adjust its budget because of the ferry system move, said district Superintendent Peggy Cowan.

"Depending on where the students go to school, it would result in a loss of teachers, because the number of teachers in the district is determined by the number of students in the schools," Cowan said.

But the loss of students does not necessarily indicate a loss of teaching positions, Cowan said. If the students who move are equally distributed among the district's 10 schools, teaching positions may not be affected, but other services might be reduced.

"That money goes to textbooks, principals, custodians, oil, so there could be associated reductions," she said.





## The export of 44 jobs - is it capital creep?

Posted: Sunday, March 28, 2004

By TIMOTHY INKLEBARGER

JUNEAU EMPIRE

Editor's note: This is the third part of a three-day series that looks at the relocation of the Alaska Marine Highway System headquarters from Juneau to Ketchikan. The other stories include:

- Thursday: What the move means for ferry system workers and a closer look at expected savings from the move
- Friday: How the move could affect Juneau and what relocation means for Ketchikan
- Today: Is this capital creep and a look at the building that will house the agency

The state's decision to move 44 marine highway jobs out of Juneau raises the specter of shipping out another 284 jobs to Ketchikan.

The Ketchikan Gateway Borough sent a lease proposal on March 1 giving the option to move 284 additional Department of Transportation employees to the old Ketchikan Pulp Co. administration building. The same building will house the headquarters of the Alaska Marine Highway System, now based in Juneau, but slated to move this summer.

The governor's spokesman, John Manly, said he is unaware of any plans to move more state jobs out of the capital.

But the relocation of the ferry system headquarters, as well as Ketchikan's lease proposal, has some Juneau residents wondering if this is the re-emergence of capital creep.

Sen. Kim Elton, D-Juneau, called the move of ferry system employees "job creep." He defined the term as jobs moving out of the capital for bad policy reasons.

During his run for governor in 2002, then-U.S. Sen. Frank Murkowski decried the state's decision to allow commissioners to live and work outside the capital city. Calling the movement of state jobs out of Juneau "capital creep," Murkowski promised to bring the commissioners back and put an end to state jobs leaving the capital.

Murkowski's spokesman, Manly, now says the movement of the marine highway jobs out of Juneau is not capital creep.

"I think the classic definition of capital creep is moving jobs from Juneau away to the Anchorage area," Manly said. "The fear here in Juneau was that they were going to get them one job at a time.

"Ketchikan is not trying to steal the capital."

Manly said the move is based on better management of the marine highway fleet.

"(The governor) is not moving jobs out of Juneau just to move jobs out of Juneau," Manly said.

When asked if he would move any other agencies at a recent Juneau Chamber of Commerce luncheon, Murkowski said: "Well, if you have any suggestions I'll consider them."

Sen. Elton said this isn't the first time "job creep" has threatened Juneau.

# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



In July 1997, a few months after the Ketchikan Pulp Co. closed its doors and laid off more than 500 employees, Alaska's congressional delegation announced plans to move some 200 U.S. Forest Service jobs from Juneau to Ketchikan, a move estimated to cost taxpayers up to \$20 million.

Shortly after the move proposal became public, U.S. Sen. Ted Stevens said it was intended to help Ketchikan cope with the economics of the declining timber industry.

Murkowski's office, though, said the Forest Service move would achieve administrative improvements, just as he now says the ferry system move would.

The proposal, along with talk of moving the 17th Coast Guard district from Juneau to Sitka, ultimately died.

"If you look at the history, you can predict that this is history repeating itself at Juneau's expense," Elton said.

More legislative hearings to discuss the proposed move are scheduled, said Win Gruening, chairman of the Alaska Committee, a local group committed to fighting capital move attempts and keeping state jobs in Juneau.

"I see no reason for us to take a position on that specific move, if we need to, unless all the evidence is in, and it doesn't sound like it is yet," Gruening said.

He said it is not clear whether the move constitutes capital creep.

The move seems to be an attempt to save money and make the ferry system more efficient, he said.

"That's not what we would consider capital creep, if that's what it is," he said. "I guess capital creep to us, at least in past years, has been the movement of jobs and positions to other cities just for, I guess for lack of a better term, convenience sake."

Gruening said the Alaska Committee has focused on keeping commissioners' jobs in Juneau in the past.

He said that in past years there were a number of commissioners living outside of the capital.

Both gubernatorial candidates Gov. Frank Murkowski and Fran Ulmer in the 2002 election promised to require commissioners to live in Juneau.

"As far as I know the governor has lived up to that promise," Gruening said.

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## Fast ferry sails into home port

Fairweather draws Juneau crowds during Saturday open house

Posted: Sunday, March 28, 2004

By ERIC FRY

JUNEAU EMPIRE

Juneau residents by the hundreds toured the new state ferry Fairweather on Saturday. The ship is the Alaska Marine Highway's first fast vehicle and passenger ferry, and at 32 knots it's expected to halve the traveling time between Juneau and Haines, Skagway and Sitka.

"It's new and it's nice," said resident Jocelyn Yadao. "It has more technology compared with the other vessels. We're happy to see it."

The Fairweather, a 235-foot catamaran homeported in Juneau, won't begin service until late May, probably, said ferry system general manager George Capacci. The agency is still hiring the two 10-person crews and the relief crew, and they need to undergo training, including taking a dozen round trips to each port, he said.

The marine highway is negotiating terms of contracts with the three maritime unions as well, Capacci said. A berth for the Fairweather at the Auke Bay terminal is expected to be completed by early May.

Bob Doll, who managed the Marine Highway System when fast ferries were proposed in the late 1990s, said skeptics doubted that a vessel even would be built. Now it's up to the agency to demonstrate that fast ferries can work in Southeast waters, and win public acceptance, he said.

"Once one has ridden a two-hour trip to Haines and Skagway I think those apprehensions will disappear," said Doll, who now directs the lobbying group Better Ferries for Alaska.

"We were trying to address complaints about arrivals and departures at odd times of the day, undependable arrivals and departures, and the length of a trip between any two points compared with aviation," Doll said.

"This is a spectacular ship, and it's part of the evolution of the Marine Highway System," Capacci said. "It's not the total future, but it's the mix of the future."

The Fairweather is one of two similar ferries that are being built by Derecktor Shipyards in Bridgeport, Conn. The contract, which includes \$4 million in administrative costs, is for nearly \$68 million. The Chenega, which will sail in Prince William Sound, is due to be completed in spring of 2005.

On Saturday, residents of Juneau and other Southeast towns walked through the Fairweather in a steady stream from 1 to 3 p.m. They entered on the car deck, which holds the equivalent of 35 21-foot vehicles.

On the one passenger deck they sat in the reclining airline-style seats, some with tables between them, checked out the snack bar, peeked into a small TV lounge with sofa-like seating, wondered about the work tables with electric outlets, and took in the air in the small covered solarium at the stern.

"I think it's beautiful," said Skagway resident Kathy Hosford, who supports a road between Juneau and Skagway supplemented by ferries.

"It'll travel quickly up the (Lynn) canal," she said, but noted that the ferry system is charging about 10 percent more for fares on the Fairweather than on mainline ships.



# ALASKA MARINE HIGHWAY

- 50th ANNIVERSARY -



Supporters of the Southeast Alaska Conservation Council, gathering next to the passenger ramp, held up a banner that read: Ferries Are Our Future. They gathered signatures in support of state funding for the ferry system "as the most reliable and efficient way to connect all the communities of Southeast Alaska," said Emily Ferry, a SEACC grassroots organizer.

"Ferries are a much better investment (than roads), for large cities and small villages," she said.

Politics aside, Josh Warner of Juneau said he loved the Fairweather.

"It looks like it's well-built, low-profile," he said. "It's more of a modern design, more accommodating for what we need today. It's the best thing for the ferry system to keep alive today, to do something like this."



## Ferry opens with smooth sailing

Posted: Tuesday, June 08, 2004

By

JUNEAU EMPIRE

Perhaps the only negative aspect of Monday's first service run of the fast ferry Fairweather was that it ended too soon.

But that was the whole point.

Under sunny skies and with quiet seas, Alaska's first fast ferry catamaran carried politicians, officials involved in the boat's construction and, for the first time, "regular" passengers on a trip from Juneau to Haines and back.

The Fairweather covered the one-way distance between the two cities in just over two hours - half the time of the Alaska Marine Highway System's older vessels.

The new ferry, based in Juneau, will sail to Haines five times a week, to Skagway four times a week and to Sitka twice a week.

Once in Haines on Monday, the boat hosted a two-hour open house for local residents.

"I'm looking forward to getting to Juneau in two hours versus four or five," said Barbara Miramontes of Haines, visiting the ship with her husband, Victor, their 19-month-old daughter, Yzella, and Victor's sister, Maily Miramontes.

"It looks really clean, the people are really nice and they take care of everything."

Jono Green of Haines marveled at the sophisticated equipment in the ship's operating compartment.

"This is as current as anything I could ever imagine," he said. "It's almost out of time. It's impressive, and a joy to fathom what the reality of this means to Southeast Alaska."

The Fairweather, built by Derektor Shipyards in Bridgeport, Conn., is 235 feet long, can hold 250 passengers and carries a crew of 10.

The car deck has room for 35 large cars, with 700 feet of 10-foot-wide lanes. There is a snack bar, several work stations with electrical outlets, a variety of seating configurations, a small solarium and 19 pieces of original artwork funded by the state's 1 Percent for Arts program.

The vessel is powered by four diesel engines with nearly 20,000 horsepower, which force water through four jets to propel the ship. On Monday's voyage, with a relatively light load, the cruising speed was 38 knots - just under 44 miles per hour.

About 150 passengers traveled the Juneau-to-Haines route Monday; about 100 were on the Haines-to-Juneau run.

A second catamaran ferry - the Chenega - is due to begin service next year around Prince William Sound.



## Feedback sought on ferry schedule

Draft includes runs for new fast ferries

Posted: Friday, August 05, 2005

By ANDREW PETTY

JUNEAU EMPIRE

The state ferry system will take public comments next week on its proposed schedule for October 2005 to September 2006.

"This is not cast in stone at this point," said department spokesman John Manly. The draft schedule is online.

The operating plan includes the major changes the department discussed earlier for the winter, which are new routes for the state's two fast ferries.

The draft proposes that the Fairweather sail from Juneau to Haines and Skagway on Mondays, Tuesdays and Thursdays, to Sitka on Wednesdays, and then to Petersburg on weekends.

The Chenega will be pulled away from its current route in Southcentral Alaska and will serve as a shuttle between Ketchikan, Wrangell and Petersburg on Fridays, Saturdays and Sundays, with the vessel based in Ketchikan.

The suggested runs are from Nov. 18 through Feb. 1.

Last winter, the Chenega had not arrived to Alaska yet and the Fairweather was serving only Sitka and Lynn Canal.

Members of the public may send their written comments to the department or give them orally during an Aug. 11 teleconference that begins at 10 a.m.

The proposal to pull the Chenega away from Prince William Sound to serve Ketchikan and Petersburg has not been popular with communities in Southcentral Alaska. The original plan called for year-round service by a fast ferry in their region.

"I think the communities know best what the schedule should be," said Bob Doll, former marine highway chief and now executive director of activist group Better Ferries for Alaska.

The state announced earlier it intends to test the new routes this winter before it decides whether to purchase two more fast ferries in March.

Doll said it makes more economic sense to run the Fairweather continuously in Lynn Canal, where Southeast Alaska is linked to the continental road system. He also said the department is angering people in Prince William Sound during a time when the ferry system needs support.

Manly said the new routes between Juneau and Petersburg and Ketchikan will be useful for high school sports teams, so that parents, players and boosters can reach other schools in one day without the expense of flying.

Residents in Prince William Sound said they also have sports teams that need to travel